



**CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE**

June 29, 1998

H.R. 960

**An act to validate certain conveyances in the city of Tulare,
Tulare County, California, and for other purposes**

As cleared by the Congress on June 25, 1998

H.R. 960 would give the Southern Pacific Transportation Company or its successors the right to convey title to certain lands in the city of Tulare, California, that form part of a right-of-way previously granted to the railroad by the federal government. Hence, the act would validate land conveyances where the federal government owns the underlying title and the railroad controls the right-of-way. The legislation would apply to both past and future conveyances. CBO estimates that enacting H.R. 960 would have little or no impact on the federal budget.

Under current law, if the railroad ceased to operate on the right-of-way, then land comprising the right-of-way would revert to federal ownership. According to the Bureau of Land Management (BLM), if the agency were to receive the land it would have no interest in retaining ownership and would either sell it, exchange it, or transfer it to local government. BLM estimates that the portion of the right-of-way that would be affected by H.R. 960 has a market value of about \$300,000.

Enacting H.R. 960 would affect direct spending if property that would have reverted to the federal government and been sold under current law is not sold because of conveyances made pursuant to this legislation. Because H.R. 960 could affect direct spending, pay-as-you-go procedures would apply. But the likelihood of any income to the Treasury from sale of the affected property over the next 10 years is small.

The CBO staff contact for this estimate is Victoria V. Heid. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.